

White House Statement on Fire Danger in the Northwest *September 9, 1992*

The President today announced several actions that the administration will take to expedite salvage operations of dead or dying timber in the Northwest and Northern California in order to ease the growing fire danger in that region. Western States, particularly California, are experiencing one of the worst fire seasons in history. This summer alone, there have been over 70,000 wildfires that have destroyed approximately 1.7 million acres of forest and rangeland, burned over 1,200 homes and other buildings, and required the evacuation of over 35,000 people. Fire danger has been particularly acute due to the unusually large volume of timber that is dead or dying because of a 7-year drought that also has exacerbated damage from insects and disease.

The President has directed the Department of Agriculture and the Interior and all other appropriate Federal Agencies to expedite their existing timber salvage sales

programs for those areas not falling within spotted owl habitat, where timber harvesting is prohibited by Federal court order. In addition, the Department of Agriculture will issue final regulations updating their policy and procedures for complying with the National Environmental Policy Act (NEPA). The final USDA regulation increases to 1.0 million board feet the amount of dead or dying trees which can be harvested in a single salvage project without having to prepare documentation under NEPA. Pursuant to NEPA and applicable regulations, USDA has determined that timber sales of this magnitude will have no significant environmental effect. In addition to reducing the danger from forest fires, the U.S. Forest Service estimates these actions will increase the timber harvest from these lands by 250 to 450 million board feet for fiscal year 1993.

Remarks and a Question-and-Answer Session With the Economic Club of Detroit in Michigan *September 10, 1992*

The President. Thank you all very, very much. Good morning to everyone. Governor Engler, I'm proud to be with you, sir, and thank you for that kind introduction. Greetings to Chick Fisher, your chairman, and Jerry Warren, both of whom have been most hospitable to me. I've been here several times before this most distinguished American forum, and I'm delighted to be back.

This morning I am here for a very serious speech, serious business. I'm releasing today an Agenda for the American Renewal, and I've come here today to introduce it to you and to the Nation.

My agenda diagnoses the economic problems our Nation faces, lays out the principles that should guide us in the years ahead, and explains the integrated approach

that I am pursuing to meet the challenge. Over the past weeks I have been discussing certain elements of my economic agenda, and in the weeks ahead I will be expanding on those and other ideas. The document that I'm releasing today shows how the pieces all fit together. But let's begin this morning by stepping back, taking stock of where we are as a great nation in the broader sweep of history.

The American people have just completed the greatest mission in the lifetime of our country: the triumph of democratic capitalism over imperial communism. Today, this year, for the first time since December of 1941, the United States is not engaged in a war, hot or cold. Throughout history, at the close of prolonged and costly wars, victors have confronted the problem

of securing a new basis for peace and prosperity. The American people recognize that we stand at such a watershed.

We sense the epic changes at work in the world and in the economy, the uneasiness that stirs the democracies who served as our partners in the long struggle. We feel the uneasiness in our own homes, our own communities, and we see the difficulties of our neighbors and friends who have felt change most directly. We know that while we face an era of great opportunity, we face great risks as well if we fail to make the right choices, if we fail to engage this new world wisely.

But America has always possessed unique powers, and foremost among them is the power of regeneration, to transform uncertainty into opportunity. Only in America do we have the people, the talents, the principles and ideals to fully embrace the world that opens before us.

For America to be safe and strong, we must meet the defining challenge of the 1990's: to win the economic competition, to win the peace. We must be a military superpower, an economic superpower, an export superpower.

My agenda for renewal asks that we look forward, to open new markets, prepare our people to work, strengthen our families, save and invest so that we can win. Our renewal depends on economic growth but growth not for the few at the expense of the many, not for the present at the expense of the future.

In our country we've always prized an entrepreneurial capitalism that grows from the bottom up, not the top down; a prosperity that begins on Main Street and extends to Wall Street, not the other way around.

That's the lesson I learned as a young man, packed up a Studebaker and moved to Texas after another war, at the start of another era. I saw jobs, prosperity, an entire future, built with the hands of ordinary men and women with extraordinary dreams.

Our Nation has never been seduced by the mirage that my opponent offers of a Government that accumulates capital by taxing it and borrowing it from the people and then redistributing it according to some industrial policy. We know that the clumsy hand of Government is no match for the

uplifting hand of the marketplace.

My international economic and trade strategy will guarantee our position as an export superpower, extending our global economic reach in tandem with our security presence to stretch beyond our borders so that we can create more jobs within our borders.

At the same time, we need to foster at home the capabilities that will keep us in the lead: radical changes in our education system to prepare our children for a constantly changing workplace; incentives for the entrepreneurs and new technologies to sharpen our competitive edge; job training, health care reform to promote the economic security of our working men and women; and new approaches for reaching out to those who have been left behind, since in the century ahead we will need the talent and the energy of every single American.

Finally, because our greatest strengths flow not from Government but from the personal initiative of free men and women, my agenda aims to check the growth of Government and, in some important ways, to reverse it. Together, the components of this new agenda should renew America according to her most cherished principles.

This renewed America will be empowered toward a grand goal: to nearly double the size of our economy, to \$10 trillion, by the early years of the next century.

To place this agenda in a larger context, let me turn briefly to five profound changes now at work in our economy. When Americans gather around the kitchen table at night and talk about how they'll meet a mortgage or pay the doctor's bill, they're feeling these changes in their daily lives. Before the changes have run their course, they will have forever altered the way Americans buy and sell, work, and create.

The first great change in our economy is ironically caused by our very success in ending the cold war. In the short run, deductions in defense spending have meant painful layoffs in many industries, and we are taking steps to ease this transition. But in the medium and long run, deductions in defense spending will free up priceless skills and technologies for peacetime growth.

Second, most of our industries are transforming themselves from old-style hierarchies into flatter organizations, with fewer layers between customer and executive. The new organizations emphasize a skill-based work force, "lean production," and shorter production cycles. From castings to computers, this is a revolution as dramatic as the one made earlier this century, when Henry Ford led the country from craft-based production to mass manufacturing.

While these changes are essential to maintaining our competitive edge, they've come with a cost. Everyone in this room knows that: layoffs, cutbacks among both white- and blue-collar workers. These hard-working people need reassurance, not only about their economic security but about preserving the sense of self-worth that only work can provide.

The third change: While the 1980's brought us the greatest peacetime expansion in our history, the boom also led too many of us to take on too much debt. We have been paying that down, that debt, and lower interest rates have helped us do it. The process is largely over, but consumers and companies remain cautious.

The fourth change involves our financial system. We entered the eighties with a 50-year-old banking system, designed for the days when tellers wore green eyeshades, not for an era when billions, billions of investment dollars can cross borders at the speed of light. In the late seventies, record interest rates and inflation rates rocked this anachronistic system. The less efficient institutions could not survive, obligating the Federal Government to protect the savings of millions of Americans.

Now, this process of paying debt down is nearing its end. Our financial system will become more flexible and efficient. But for now, lenders are cautious and, despite low interest rates, small business still can find it hard to get the credit.

But the most far-reaching of these five changes is the emergence of a global economy. No nation is an island today. One out of every six manufacturing jobs is directly tied to exports. The crops sown from 1 out of every 3 acres of farmland are sold abroad.

Consider some implications of the global economy: When growth slows abroad, as

it has recently, our own growth slows as well. America will only grow in the next century if we can compete globally in every part of the world. So we must seize every opportunity to open new markets, particularly those with the greatest potential for expansion.

Now, in drafting an agenda for America's future, we had to assess our strengths as well as our weaknesses. Conveniently, the other side has discovered many weaknesses and very few strengths. Of course, they might find temporary political gain in portraying America as past her prime, over the hill. But they have no more right to argue, for partisan purposes, that our economy is weaker than it is than I have to understate our problems.

Our strengths are real. Now, here are some facts. The "misery index," the sum of inflation and unemployment, is 10.8 percent, down from 19.6 percent in 1980. Inflation stands at about 3 percent. Interest rates are at a 20-year low. The purchasing power of Americans gives us the highest standard of living in the world. We enjoy the highest homeownership rate of all major industrialized countries. We send 68 percent of our children on to higher education, more than any other country, and well above Germany's 32 percent and Japan's 30 percent. With 5 percent of the world's population, we produce 25 percent of the world's total output and 37 percent of its high-tech products.

Now, I don't mean to suggest that all is well, that we don't need to lead and manage the changes that are transforming our economy. But you can't chart the stars if you think the sky is falling down. Over the past 12 years we have almost doubled the size of our economy. It's as if we'd created two extra economies the size of Germany's from scratch.

How will we meet our goals? Before you hear the specifics of this agenda, let me tell you a little bit about what I believe, because change, if it is to be a force for good, must be guided by principles. The principles that must guide change are the principles that never change.

I believe we are a nation of special individuals, not special interests. Individuals

draw their enduring strength from their families, from their neighbors and communities, not from the Government. So I believe we must never ask Government to do what families and neighbors and individuals can better do for themselves and for one another.

I believe, because I've seen it, economic growth comes from the small-business woman who takes a risk on a new product, from the computer hacker working in a garage in a cluttered way; from the merit scholar in south L.A., south central, with a future as big as his dreams.

I believe Government owes it to them and to you to keep tax rates low and make them even lower, to keep money sound, to limit Government spending and regulations, and to open the way for greater competition and freer trade. But I do not believe, as some might, that Government's obligation ends there. As a conservative I believe that Government can help people, offer them hope and opportunity by giving them the means and the confidence to make the decisions that matter in life.

My background has also prepared me for the task of bringing our foreign policies and our domestic policies together to turn our strength as a world power to our advantage as an economic power, to match the security we feel militarily with the economic security that we must build at home. From now on, if America is to lead the world, we need a leader who knows the territory.

My Agenda for American Renewal calls for action on six interconnected fronts. There's no single cause of our present situation. There can be no single cure. The whole of our agenda will be, must be, greater than the sum of its parts.

First: challenging the world. During the cold war, we built a global security structure with military alliances across the Atlantic and the Pacific. In the same way, the post-cold-war era requires strategic economic and trade policy, global in scope and built on our foundation as an economic and export superpower.

We are uniquely positioned to achieve this goal. As the largest fully integrated market in the world, we wield leverage with other countries that want access to our market. As both a Pacific and a European

power, we are tied to the largest and most rapidly growing economies across both oceans. As the strongest nation in our hemisphere, we are looked to for leadership by free economies emerging from Chile all the way up to Mexico. The same holds true for the newly born economies of Eastern Europe and the former Soviet Union, where our values, our products, even our language, carry a unique appeal. In Moscow today, the lines at McDonald's are longer than the lines at Lenin's Tomb.

The key to America's growth, expansion, and innovation has always been our openness to trade, investment, ideas, and people. As this openness is at last being reciprocated around the world, we find ourselves again at a special advantage.

The next steps in my strategic trade policy are to secure congressional approval of the North American free trade agreement and to complete the global trade negotiations, the GATT round, creating high-wage American jobs and expanding the pool of customers hungry for the fruits of American labor.

Let me emphasize these agreements are steps, not ends in themselves. So I want to announce today that it is my goal to develop a strategic network of free trade agreements with Latin America; with Poland, Hungary, and Czechoslovakia; and with countries across the Pacific. And then, as these external barriers fall, I believe we can help reduce internal barriers to competition as well in North America, Western Europe, Japan, and elsewhere. Greater competition will encourage entrepreneurial capitalism at the expense of Government power and entrenched interests, spurring unprecedented economic growth.

Traveling around the country I've seen it happen already, particularly in some small businesses, as they strengthen themselves for international competition. A couple of weeks ago, in St. Louis, I visited Public Safety Equipment. They're a company; they make the lightbars that you've seen on police cars. The president of Public Safety told me that a few years ago they recognized they could no longer just sell their products in 50 States, leave it at that. So they took on the world, and now 35 per-

cent of what they make is sold in 48 countries, creating good jobs right here in the United States of America.

Public Safety and the hundreds of thousands of companies like it offer a glimpse into the future I see for all American business. But a business is only as efficient, as resilient, as innovative as the people who keep its books and build its products and devise its strategy. Materials, machines, methods, they'll come and go, but the American worker will remain the key to our economic security.

That brings me, then, to the second part of our agenda: preparing our children. The workplace of the 21st century will be constantly changing. I've heard that from many business people sitting right here at the tables in this hall. We must prepare the American people for a lifetime of learning, to keep a step ahead of that process of change. Now, developed nations need developing minds. The burden will fall on our educational system. As in the past, education should be the ladder that children can climb to better themselves.

Our current school system is not up to the task. Designed for the 19th century, it will collapse under the weight of the 21st. And our educational establishment is caught in the same time warp, where standing still means falling behind.

Money alone is not the answer. The United States already spends more per pupil than any other country but Switzerland. The answer is a radical overhaul of the system itself. If we want to change our country, we simply have got to change our schools.

The catalyst for change, the one reform that drives all others, is school choice, giving children scholarships so that all parents have the freedom to choose which schools will best serve their children. Competition is the principle that must underlie education reform, to break the establishment's monopoly on the system. Competition will not work unless parents are allowed to choose their children's schools, whether it's the public school across town or the parochial school across the street.

Consider just one statistic: In Chicago, 46 percent of public school teachers send their children to private schools. Clearly

they know something about monopoly education that my opponent doesn't. Our different approaches to education reform reveal the Grand Canyon that divides me and my opponent. You see the same contrast in child care or health care and a host of other issues. My opponent prefers uniformity to variety and choice, relying on these Government bureaucracies to offer one-size-fits-all service. I don't want to pull everyone down to make everyone equal. I want to give everyone the tools to climb as high as they can dream.

Even as we fix our schools, the question remains: Will there be good jobs for the kids? And that's the third part of my agenda: sharpening businesses' competitive edge. I learned my economics the way most of you did, a lot of late nights sweating over a balance sheet or P&L statement, trying to meet a payroll. I saw that if people are allowed to keep more of what they produce, they will produce more. It's common sense.

When capital is taxed lightly, there's more of it. When it is taxed heavily, it becomes scarce, available only to those who are already wealthy, who need it least of all. That's not the kind of economy that I want.

If capital were more abundant, labor would be more in demand, wages would rise, unemployment lines would shrink. That is the kind of economy that I want. That's why I want enterprise zones in our inner cities and in our rural areas. That's why I want to make this research and development, this R&D tax credit permanent. That's why I want to cut the capital gains tax and index it for inflation.

Those are the fundamentals. I also see three other ways to sharpen the competitive edge of American business:

First, strengthening small business, by cutting taxes, making sure that credit is available, and by lifting the deadweight of Government regulation;

Second, supporting civilian R&D, by bringing the development, production and marketing of technology closer to the consumer;

Third, reforming our legal system. Every year American business and consumers spend up to \$200 billion just in direct costs

to lawyers, far more than our competitors in Japan and Europe. My "Product Liability Reform and Access to Justice Act" will restore rationality to the system and stop undermining the American worker. This is a fact: We will never lead the world in the 21st century until we learn to sue each other less and care for each other more;

The fourth part of my agenda: promoting economic security for working men and women. Again, common sense shows the way. True security will come only by developing individual capability, not dependency. And that independence, in turn, comes through the private sector, not the Government.

Government's role will be to ease individuals' adjustment to a fast-changing marketplace. The average worker today will change jobs, it's estimated, 10 times over the course of his or her working life. So we need a wider and more flexible range of job training and placement services for both the young and old, the blue- and white-collar worker, and now especially for our workers from the defense industries.

Pensions must be portable, and health care must be affordable. Our health care system today, I think everyone here would agree, provides the best care but at an unacceptable price. More than 30 million Americans have no health insurance. Health care costs are the fastest-rising part of our budget for Government, businesses, and yes, families.

My reforms get to the base of these problems while preserving and building on our system's strengths: our state-of-the-art care, openness to innovation, and consumer choice. Taken together, my reforms cut health care costs by \$394 billion over 5 years.

My opponent's plan could eventually place a full 13 percent of our economy under the control of the Federal Government, meaning more bureaucracy, rationed care, inefficient service, and in the end, higher costs.

We must enhance competition and market forces, not restrict them. We must preserve individual choice, not hand decision-making over to centralized bureaucracies. We must reduce the burden on employers and employees, not bury them in a tide

of new taxes and Government regulations.

The programs I've outlined and that are detailed in this agenda are based on the principles that will empower all Americans to make their own choices and better their lives. But I believe we need to do more for some of our citizens who have been left behind. And that is the fifth component of this agenda: leaving no one behind. The American dream is nothing more than the belief that all Americans can make a better life for their children. The dream has made us the most dynamic society in the world. It's yet another strength we can draw upon for the challenge ahead. So we must give every American a shot at making good on the dream.

I reject the shopworn logic that sees poverty as a simple lack of income, a kind of economic shortfall that can be replaced with a Government check. A conservative philosophy of empowerment must have at its foundation the creation of character through the ownership of property, through the dignity of work. That means sweeping away the nightmare of crime from our cities, building a core of property owners, creating business incentives, and making individual discipline and self-reliance the goal of all of our programs.

I call the final component of my agenda "rightsizing" Government. You'll recognize that I take the term from the business world, which has a lot to teach those of us in Government. At a time when companies across the country have been restructuring, increasing efficiency, all to prepare for the economic competition of tomorrow, the Federal Government faces an obligation to do the same.

Today the Federal Government spends nearly 24 cents of every dollar, 24 cents of every dollar of the Nation's income. That's the fact: Government is too big and spends too much. The size and structure of Government are relics of a different age, artifacts more suited to the dilemmas of 50 years ago than the problems of today. Every institution in our society has learned that by pushing power down through organizations, by using technology to speed the flow of information, you don't just save

money, you improve productivity. It's time for the Government to do the same.

I will streamline Government, consolidating agencies, tightening budgets, and cutting the salaries of highly paid Federal employees. I'll start by cutting the White House budget 33 percent if the Congress cuts its own budget by the same amount. You might say: Why the linkage? Well, with fewer congressional staff badgering us for endless reports and endless visits to Capitol Hill, I know we can cut costs by that amount. I'll cut the salaries of all Federal employees earning more than \$75,000 by 5 percent. Taxpayers have tightened their belts. The better-paid Federal workers should do the same.

The agenda I publish today contains specific proposals to cut the fat: a cap on the growth in mandatory spending without touching Social Security; a freeze on domestic spending; a balanced budget amendment; a line-item veto; and a new mechanism, disciplinary mechanism, a check-off box on tax returns to give the taxpayer the power to cut the deficit. I will fight to reduce spending and spur growth so we can get this budget in balance.

Unlike my opponent, I do not believe the American people are undertaxed. Quite the opposite: I am committed to cutting taxes across the board. Let me offer an example—this is just an example—as an illustration of what we could do: My cap on the growth of mandatory spending allows for population growth and inflation. It specifically exempts Social Security. But that cap alone, with those caveats, would save about \$300 billion over 5 years. If we used just \$130 billion in specific spending cuts that I have already proposed—specific spending cuts of \$130 billion that I have already proposed—we could cut income tax rates by one percentage point across the board, reduce the small business tax rate from 15 percent to 10 percent, and reduce the tax on capital gains.

That's the direction that I want to go: tax less, spend less, cut the deficit, and redirect our current spending to serve the interests of all Americans. I honestly believe that this is the way, the only way, to control the size of the Federal Government. The facts are painful, but plain: For Congress-

men, spending is power, and they will exercise that power until they have spent every last dime they can squeeze from the working men and women of America. It's as simple as this: Raising taxes won't cut the deficit.

Here, then, is my Agenda for American Renewal. It comes at a time unique in our history, a turning point, a moment when one era is passing away and another is being born. In the agenda published today, you'll find 13 proposals that I intend to achieve in the first year of my second term. I present them as a single program, a unified strategy to make change work for America. Over the last 3 years I've shown how America can change the world, and we've made a respectable start managing the change at home. Our primary task now is to target America.

I intend to fight for this agenda, to fight as hard as I can. With a new Congress—it can have as many as 150 new Members, I am optimistic. If Congress balks, we'll move forward anyway, just as I have done with education, regulatory, and welfare reform. I'll work with our great Governors, like John Engler, with the State and local governments, with the private sector, with anyone who shares the urge to renew our country.

The American people know that the events of recent years have shaken the world. With the close of the cold war we can achieve peace, prosperity, and promise at home. The American people want that. The American people deserve that.

I want America to seize this moment. I want to stimulate entrepreneurial capitalism, not punish it. I want to empower people to make their own choices, not yoke them to new bureaucracies. I want a Government that spends less, regulates less, and taxes less. I will fight without hesitation for a free flow of trade and capital and ideas around the world, because Americans never retreat; we always compete.

My agenda draws together our people and our Government to meet this challenge. We will create a \$10-trillion economy, and we will renew America, and we will win the peace.

I know that times have been very, very difficult for many Americans. The world

that we knew as children, no matter your age, will never be the same. America will change. That's our destiny. How it will change will soon be decided.

I ask, as you consider the choice that you face, to consider carefully whose agenda for change best fits America's principles, our national experience, and our hopes for lasting peace and prosperity.

Thank you for your attention. And may God bless our great country. Thank you.

Governor Engler. Thank you, Mr. President.

Ladies and gentlemen, we have about a hundred questions for the President. We probably will not get through all of them, but, Mr. President, I will do this from this microphone so that we can expedite this.

The first question deals with the Democratic Congress. Maintenance of the Democratically controlled Congress is highly probable. How do you propose working with them, more effectively with them, over the next 4 years?

The President. Well, I answered that partially in my comments. Not only because of the post office scandal and the bank scandal, there's going to be an enormous change. I've felt that I've had some difficulties with confidence in America, but the Congress has really had problems. The Congress is in a state of change and flux, particularly in the House of Representatives.

So what I've proposed is that when Congress meets—the new one—I will get together with all 100 or 150 Members and say, "Look, you and I have been listening to the same song, the same American people." They want the kind of changes that I've outlined here today, and I believe most Americans really do. And I'll say, "Now let's get together, lay aside partisanship, and let's, in the first 100 days, enact this agenda."

I'm going to have to move fast, but with a new Congress I think we'll have something entirely different than the gridlocked Congress that I've been facing. I really believe that there's going to be that much change. You've already seen it. You've already seen it happening in many of these primaries, and it's still going on.

Governor Engler. This speech was billed as an economic agenda. Why now, in the

last 60 days of the campaign? Why not before?

The President. Well, as you may know, I've addressed myself to many of the components of this agenda: health care, several times taking that case to the American people; America 2000, our education program; fighting for our anticrime legislation. So what we've tried to do here today is bring all the elements together that come under this outline I put forward, bring them all together in a comprehensive way.

The most significant thing that I've tried to do is to say, "It's one global economy." We are in this now together, linking international trade to opportunity for the American worker, linking international trade and global peace and security to prosperity for every American job holder. It's that concept, that very broad concept that I think is somewhat different in the presentation today because ingrained in a lot of this are the very same programs, like enterprise zones and these others I've clicked off, that I think are absolutely essential; say nothing of the philosophical difference I have with Governor Clinton: tax and spend versus trying to get the taxing and spending down and get that 24 percent of gross domestic product out of the Government's hand; get it down to 20 percent or get it lower.

So it's trying to put a comprehensive plan out there that encompasses many of the ingredients we've been talking about.

Governor Engler. Last month Governor Clinton was asked about CAFE standards. He said he'd be flexible. What is your position?

The President. Well, I'm not flexible. So we've got a difference. He has proposed, as I understand it, in his plan that the CAFE standards go to 40—I believe it's 40 miles per gallon. There's a wealth of opinion that says that would be devastating to the automobile business. In the name of environment, "Vice President Gore" has been talking about the combustion engine as being the worst threat to society. I've got to be careful with how I quote him, but look it up in his best-selling book. It is scary. It is bad.

Governor Clinton ought to repudiate him or certainly ought to clarify his position. He told some business executives that he was

studying the National Academy of Sciences report. I'm told it's a big, fat thing about this, with a square root and all these things through it. So when he gets through reading that, maybe he can take a position on the NAFTA agreement, which he hasn't read either.

But I'm saying that we don't need to go to the extreme. My administration has a good, sound environmental record. But when I went down to Brazil, people of the environmental community, some of them, jumped all over me and said I wasn't leading. Well, let me be very clear, I am not going to go adopt standards, whether it's a CAFE standard of this or whether it's a strange policy regarding an owl, that throw a lot of Americans out of work. And we might as well understand that.

Yet we have a sound environmental record. I'm not apologetic about it at all.

Governor Engler. Why do you hate us trial lawyers so? [Laughter]

The President. I might have to hedge if I'd known you were one. [Laughter]

Governor Engler. There's an editorial here, "We don't destroy wealth. We just move it around." [Laughter]

The President. It's not a question of hating anybody; it's a question that I think the American people understand. When I went to a small town in Idaho, I was expecting to get all kinds of questions on nuclear energy or on wilderness areas. And the community people, the business people, chamber of commerce people, the main subject on their minds were these frivolous lawsuits. When I look at health care, and I see malpractice insurance estimated to cost between \$25 to \$50 billion a year because of tests that doctors have to give to protect themselves against outrageous suits, I just think we've gone too far and that we ought to control some of these liability—[ap-*plause*—some of the tort claims, some of these reckless suits.

I have here a distinct—far be it from me to inject to partisan note into this wonderfully nonpartisan audience—[laughter]—but I have a real difference with Governor Clinton on this one. The trial lawyers of Arkansas put out a letter saying that he's been with them on everything they've ever asked, and don't worry, just go in for the

Governor so he'll protect against legislation that would try to put some caps on these outrageous suits. We've got a chance right now in the Senate; the Kasten bill is coming up on product liability. And we've got to continue to fight to get through that gridlock up there in the Congress some legislation that would at least lower the burden on the American people, the doctors, whatever it is in terms of too many lawsuits.

Governor Engler. How realistic is it to double the size of our economy by the early years of the next century?

The President. It's realistic when you consider that if you use inflation plus real growth, that is not too heightened a goal. We can do that. You've got to do the math on it, but you're talking about 7 percent, I think. And I believe we can do that. We've had anemic real growth. I'm convinced it is not going to remain anemic in the less than 2 percent area. Coming out of the last recession it got up to 5 percent.

So I think the goal is very much achievable. I might say, I don't want to achieve it by raising inflation, however. I want to get it achieved by real growth. I mean, you can run inflationary policies and grow. So I want to be very careful when I say: one, it's achievable; but two, I want to achieve it with real growth, not with inflationary growth.

Governor Engler. What do you say to the American workers who believe that free trade means jobs lost abroad?

The President. Well, again, I tried to address myself to that one. I think that it means jobs increased in this country. Our trade with Mexico has gone way, way up without this free trade agreement. In my view, it will go up a lot further, and that means American jobs.

We've got experts on the auto industry here, but I am convinced that they are not going to export their factories to Mexico. There are a lot of considerations. One of them is the productivity of the American worker. Another one is interest rates. Another one is capacity, available capacity, in whatever industry we're talking about.

You're going to raise the environmental standards in Mexico. And I think you're going to cut down on the cross-border flow

of illegals that I think is burdening a lot of our country, particularly California. I believe in my heart of hearts that what we're going to do is see a massive expansion into that booming market in Mexico. It's already happened in Canada. Our trade with Canada, our largest trading partner, as everyone here knows better than I, has gone way, way up.

I'm convinced the same thing would happen for American agriculture products, not only with Mexico but when we get a finalized agreement with the GATT. Now, that GATT round is on hold until after the French vote on Maastricht. But we're going to keep pushing on it. It has nothing to do with American politics.

I went up there realizing that the unions would take a shot at me on finalizing NAFTA right now when we did, getting an agreement that we can at least get before the Congress. It transcends domestic politics for me. I am so convinced that it will increase markets and increase jobs that I don't have to equivocate. I don't have to hedge. I don't have to read the National Academy of Sciences studies or whoever's doing it. I know enough about it from being briefed by a very able Ambassador Carla Hills to recommend to the American people that we approve NAFTA and approve it just as soon as we possibly can.

Governor Engler. There are a couple more. In black American newspapers across the country, black Republicans are labeled Uncle Toms, opportunists, and lapdogs for white Republicans. Do you have words of encouragement for black Republicans under attack? For black Americans who are Republican, the agenda's the same as for any American. Why can't black Republicans desire the American dream. Is not the same dream for all Americans? Please comment.

The President. He just answered my question. You should be able to have the American dream. And I would ask black voters across this country—a good podium right here to do it—how well have you done under the Democratic Party? Are you going to let people take your vote for granted, promise and forget, promise and forget? Or are you going to try to go with something that's going to give people an enterprise zone so you can bring jobs into the inner

city? Do you favor the old way of doing it in housing, where Government built these big tenements that then go downhill real fast, or do you want a shot at the American dream and owning your own home?

We've got good programs that offer hope and opportunity to black America, to minority Americans wherever they're coming from. And I want to see them enacted. So I would say to black Americans, I know it may be tough in your communities, but you're leaders. You're willing to stand up for principle. And don't blacks care about tough anticrime legislation? Aren't their neighborhoods the ones that are impacted and sometimes the worst because of street crime? Don't we owe them strong anticrime legislation that backs our police officers and doesn't leave them neglected? Don't they have a stake in world peace? Can't a black Republican stand up in his community and say, "I'm delighted that my kid goes to bed at night without the fear of nuclear war that we had before?"

We've got a good agenda. And I'd like to see some more of them stand up and say, "Listen, I am with you. We're with you." And we've got some outstanding black leaders doing just exactly that who are willing to think anew and not be taken for granted.

Governor Engler. When is the debate likely? Are there any restrictions? How much of the press would you like to be directly involved?

There were several questions on this. This is one of them.

The President. I have no problem with the format we used before. I mentioned this on the Tom Brokaw show. I'll debate Governor Clinton. I'm not a professional debater. I'm not an Oxford man—[laughter]—and I think he's good at that. I mean, he's got more statistics than there are problems. [Laughter]

I know I'm up against a formidable debater, but it's not anything other than, look, I'll be there. I'll let my capable staff figure this out, and whatever they recommend, I'll show up. I think I've done reasonably well in the debates in the past. You ought to try taking on Geraldine Ferraro if you think things were tough. [Laughter] We go back a ways on these debates.

So I think there will be debates, and I've already indicated I think the format was very fair, the way we've been doing it in the past. But as I said on Brokaw's, you get some intellectuals out there and the Harvard schools, and they all want you to have 25 debates. And I don't think it's that big a deal, but I'll take my case to the American people any way I can, including debates.

Governor Engler. Well, the last question, Mr. President. Next time in Detroit could we have breakfast, my treat? My name is Patrick Campbell from Edward Township. [Laughter] He addresses that to you and Mrs. Bush.

The President. Well, Patrick, it's tough times. I'll be glad to accept your offer. [Laughter]

Governor Engler. Thank you, Mr. President.

The President. Thank you all very, very much. Thank you. A great pleasure to be with you.

Note: The President spoke at 1 p.m. in Cobo Hall. In his remarks, he referred to Charles T. Fisher III, chairman, and Gerald E. Warren, president, Economic Club of Detroit. He also referred to the corporate average fuel economy (CAFE) standards for automobiles.

Remarks at Missouri Southern State College in Joplin, Missouri September 11, 1992

The President. Thank you so very much.

Audience members. Four more years! Four more years! Four more years!

The President. Thank you all so much. What a welcome. What a great welcome to Southwest Missouri. Thank you all.

First let me salute your—our—great Governor, John Ashcroft. You are lucky to have this man, and what a job he's done for this State. Thank you, John, for that introduction. May I salute another great citizen of Missouri who is working in Washington. If we had more like him, we wouldn't have to clean House. I'm talking about Kit Bond. Send him back. He's doing a superb job there. And of course, another one, your own Mel Hancock with whom I worked on so many issues, delighted he's here. Then our next Governor, the Attorney General now, you know who I'm talking about, Bill Webster, GOP candidate for Governor. May I salute Mayor Johnson, and our host, Dr. Leon.

I spend my days in the Oval Office in Washington. Let me just say it's great to be in the Oval at Missouri Southern State. I think Millie would like it out here in this Oval, I'll tell you.

Four years ago when I spoke on this campus, our country, our cities, our towns were marked by thumbtacks on a war map inside

the Kremlin walls. Today, I stand before you and say something that no President has ever been able to say before: The cold war is over. Freedom finished first.

I think young people understand that reducing the fear of nuclear weapons is something that is very, very important. Peace is precious but precarious. We must know its risks to reap its rewards. For America to be safe and strong, we must win the defining challenge of the 1990's. We must win the economic competition. We must be a military superpower, an export superpower, and an economic superpower. This must be our goal.

Our goal: a \$10 trillion economy by the beginning of the next century. The opposition will tell you we can't cut it. I say any way you cut it, America can get the job done. We are not pessimists. We are optimists about this greatest country in the world.

Yesterday I released my Agenda for American Renewal. This is my agenda for action. America's a place where ordinary people can do extraordinary things if only they're set free. Here are my keys to unlock the door.

The first unlocks foreign markets. It's called challenging the world. I want to